

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
Carol C. Lam***

***For Further Information, Contact: Lori Hendrickson, Tax Division Trial Attorney
Department of Justice (202) 514-2174***

For Immediate Release

NEWS RELEASE SUMMARY - February 6, 2006

United States Attorney Carol C. Lam announced that John C. Fitzgerald was arraigned today in federal court in San Diego before United States Magistrate Judge Louisa S. Porter on a two-count indictment charging him with aiding and assisting in the filing of false income tax returns.

According to the indictment, Fitzgerald, a Certified Public Accountant, performed accounting and tax services under the name "John C. Fitzgerald, CPA," in San Diego, California. The indictment alleges that Fitzgerald aided and assisted in the preparation of false income tax returns for tax years 1998 and 1999 for Glenn A. Kawesch, a medical doctor specializing in ophthalmology. Fitzgerald allegedly prepared the false income tax returns for Kawesch when the defendant knew Kawesch had substantial, additional taxable income which was not reported. In May 2003, Kawesch pled guilty to tax evasion for tax years 1997, 1998, and 1999, and admitted to intentionally evading \$4,198,040 in federal income taxes.

Kenneth J. Hines, IRS Criminal Investigation Special Agent in Charge for San Diego stated, “While most tax return preparers provide excellent service to their clients, the IRS urges taxpayers to be careful when choosing a tax preparer. Taxpayers should be as careful as they would be in choosing a doctor or a lawyer. It is important to know that even if someone else prepares a tax return, the taxpayer is ultimately responsible for the accuracy of the information on the tax return.”

The defendant will next be in court before United States District Court Judge M. James Lorenz on March 6, 2006, at 2:00 p.m. for a motions hearing.

DEFENDANT

John C. Fitzgerald

SUMMARY OF CHARGES

COUNTS 1-2 Aiding and Assisting the Filing of False Income Tax Returns, in violation of Title 26, United States Code, Section 7206(2). Maximum penalty: 3 years in prison per count.

AGENCY

Internal Revenue Service - Criminal Investigation

An indictment itself is not evidence that the defendant committed the crimes charged. The defendant is presumed innocent until the Government meets its burden in court of proving guilt beyond a reasonable doubt.